

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF LARRY AND ) APPEAL NO. 07-A-2456  
CARRIE DEMIRELLI from the decision of the Board ) FINAL DECISION  
of Equalization of Ada County for tax year 2007. ) AND ORDER  
)

**RESIDENTIAL PROPERTY APPEAL**

THIS MATTER came for hearing on November 19, 2007, in Boise, Idaho before Hearing Officer Steve Wallace. Board Members Lyle R. Cobbs, Linda S. Pike and David E. Kinghorn participated in this decision. Appellants Larry and Carrie Demirelli appeared with real estate broker Nora Edward. Chief Deputy Assessor Tim Tallman and Deputy Assessor Pam Onweiler appeared for Respondent Ada County. This appeal is taken from a decision of the Ada County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. R7977170065.

**The issue on appeal is the market value of a residential property.**

**The decision of the Ada County Board of Equalization is modified.**

**FINDINGS OF FACT**

The assessed land value is \$60,800 and the improvements' valuation is \$180,900, totaling \$241,700. Appellant requests the total market value be reduced to \$224,146.

The subject property is a 2,204 square foot split-level residence located on .23 acres. Built in 1975, the residence has 4 bedrooms, 1.75 baths, and a two-car garage. The residence has not recently been updated or remodeled. The backyard has a deck and a large in-ground swimming pool. Subject is located on the bench in West Boise.

Appellants provided Multiple Listing Service (MLS) data from eleven residential property sales to establish subject's market value at \$224,146, or \$102 per square foot. The sales occurred in 2006 and were located within 0.5 miles of subject. Ten lot sales ranged in size from

.19 to .22 acres and one lot with .32 acres. The residences were built between 1975 and 1978. Residential living space ranged from 2,238 to 3,252 square feet. Two sales had in-ground swimming pools. None of the comparable properties had a deck. At least three of the residences had undergone extensive remodeling. Sale prices ranged from \$204,900 to \$295,000, or \$75 to \$111 per square foot. For comparison, subject was assessed at \$241,700, or \$110 per square foot.

Respondent provided data from three residential property sales to establish subject's market value. These sales were included in Appellants' comparable sales. It was maintained these were the best sales available for comparison to subject. The square footage of two sales was within 167 square feet of subject. The third sale was 310 square feet larger than subject and had an in-ground swimming pool. Sale prices ranged from \$210,000 to \$259,900, or \$94 to \$105 per square foot.

Respondent adjusted the three comparable sales to equal subject. The adjustments accounted for differences in finished square footage, number of baths, decks, and swimming pools. No adjustments were made for remodel, condition, or design and appeal. Respondent's adjusted prices ranged from \$230,600 to \$247,380, or \$105 to \$112 per square foot. However, the record indicated a discrepancy in finished square footage for the residence located at 5402 N. Fieldcrest Ave. Respondent's sales data listed 2,034 square feet, while the MLS data provided by Appellants showed 2,238 square feet.

Respondent also provided a map of the immediate area showing the lots were uniformly assessed.

### **CONCLUSIONS OF LAW**

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to

support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following:

Idaho Code provides “All property within the jurisdiction of this state, not expressly exempted, is subject to appraisal, assessment and property taxation.” I.C. § 63-203. Idaho Code further directs that “rules promulgated by the State Tax Commission shall require each assessor to find market value for assessment purposes of all property.” I.C. § 63-208(1).

For taxation purposes, Idaho requires property be valued at market value. I.C. § 63-201(10). The Idaho Administrative Code defines market value and accepted appraisal procedures:

**01. Market Value Definition.** Market value is the most probable amount of United States dollars or equivalent for which a property would exchange hands between a knowledgeable and willing seller, under no compulsion to sell, and an informed, capable buyer, under no compulsion to buy, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

**03. Appraisal Procedures.** Market value for assessment purposes shall be determined through procedures, methods, and techniques recommended by nationally recognized appraisal and valuation associations, institutes, and societies and according to guidelines and publications approved by the State Tax Commission.

IDAPA 35.01.03.217.01, .03, see also I.C. § 63-201(10) (emphasis added).

Appellants offered eleven residential property sales to show \$224,146 (\$102 per square foot) was a more accurate reflection of subject’s market value for the 2007 tax year. Three of Appellants’ comparable sales were also used by Respondent to support subject’s assessment. All eleven sales were timely and in close proximity to subject. Although the comparable sales had larger residences, they generally resembled subject in terms of age, construction quality, lot

size, location, and features. The average sale price was \$247,518, or \$92 per square foot. The median sale price was \$249,500, or \$92 per square foot. As previously noted, subject was assessed at \$241,700, or \$110 per square foot. The Board finds Appellants' eleven comparable sales adequately resembled subject and were indicative of subject's market value.

Respondent provided adjustments to three comparable sales. However, no adjustments were made for remodel, condition, design, or appeal. The record showed two residences were significantly updated prior to sale. In fact, one of these residence was featured on a local "home makeover" television program. Although the record showed subject was well maintained, the residence had not been updated.

In this case, the Board assigns greater weight to Appellants' unadjusted comparable sales. The Board also finds Appellants' claim for relief is supported by a preponderance of the evidence. Therefore, the decision of the Ada County Board of Equalization will be modified accordingly to reflect a \$17,554 decrease in the assessed value of subject's improvements.

### **FINAL ORDER**

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, modified to reflect a \$17,554 decrease in the assessed value of subject's improvements. Subject's total assessed value is reduced from \$241,700 to \$224,146.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

DATED FEBRUARY 11, 2008